

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

DOCKET FILE COPY ORIGINAL
RECEIVED

JUL 15 1996

In the Matter of)
)
Implementation of the)
Pay Telephone Reclassification)
and Compensation Provisions of the)
Telecommunications Act of 1996)

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

CC Docket No. 96-128

REPLY

The National Exchange Carrier Association, Inc (NECA)¹ submits its Reply to comments filed in the above-captioned proceeding.

Comments filed by the National Telephone Cooperative Association ("NTCA") and GVNW Inc./Management ("GVNW") express concerns about the potential adverse effect of proposals outlined in the NPRM on small telephone companies. NTCA, for example, points out that many small local exchange carriers ("LECs") lack the equipment to provide all local coin transmission services. Compelling these LECs to offer these services will require significant investments in switch upgrades.² GVNW reiterates this concern, further stating that the implementation of a national

¹ NECA is a not-for-profit, membership association, serving over 1400 local exchange carrier (LEC) study areas. NECA members include all local exchange carriers in the United States, Puerto Rico, the U.S. Virgin Islands and Micronesia. NECA is responsible, under Subpart G of Part 69 of the Commission's rules, for activities including the preparation of access charge tariffs on behalf of all telephone companies that do not file separate tariffs, collection and distribution of access charge revenues, the administration of the Universal Service and Lifeline Assistance programs, and the administration of the interstate Telecommunications Relay Service Fund. See 47 C.F.R. § 69.603 and § 64.604.

² See NTCA comments at 5.

CH11

technical standard for central-office implemented coin phone lines will force small LECs to add substantial facilities to their networks to accommodate Private Payphone Operators ("PPOs").³ Both NTCA and GVNW also express concerns about the administrative burdens imposed by the proposed per-call compensation mechanism.⁴

NECA shares these concerns, and urges the Commission to consider ways of reducing burdens on small LECs that may result from implementation of section 276. As several commentators note, the 1996 Act gives the Commission discretion to distinguish between large and small companies and apply different standards if the situation warrants it.⁵

Section 276(a) requirements for small LECs should not be unnecessarily burdensome or require investment in equipment that will be underutilized. In particular, it may be difficult for small LECs to develop adequate per-call compensation rates. Similarly, rules that require these companies to "track" calls for purposes of determining pay per call compensation may not be feasible for the intrastate interexchange operations of small LECs. As NTCA points out, some small LECs may not be able to offer certain types of coin transmission services.

For these reasons, NECA urges the Commission to give careful consideration of the impact

³ See GVNW comments at 5-7.

⁴ See NTCA at 5-6 and GVNW comments at 3-4.

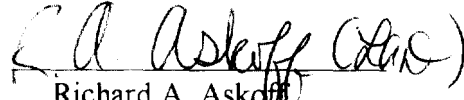
⁵ See, e.g., Florida Public Service Commission comments at 5. The Competitive Telecommunications Association, while not arguing for differing small/large company treatment, states its arguments in terms of what the 1996 Act requires of the Bell Operating Companies. See Competitive Telecommunications Association comments 1-3. Section 276(a), by its terms, applies only to the Bell Operating Companies ("BOCs"). The Commission concludes, however, that that section 276 in fact applies to all telephone companies. NPRM at n. 47. Considering the potential administrative and investment burdens for small LECs, NECA believes that there is ample authority for differing treatment of small LECs should the Commission find it in the public interest to do so.

of proposed payphone rules on small companies, so as to avoid the imposition of unnecessary administrative burdens and plant upgrade expenditures by small LECs

Respectfully submitted,

NATIONAL EXCHANGE CARRIER
ASSOCIATION, INC.

By



Richard A. Askoff
100 South Jefferson Road
Whippany, New Jersey 07981

Its Attorney

By




Regina McNeil
Regulatory Manager

July 15, 1996

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Reply Comments was served this 15th day of July 1996, by hand delivery or first class mail, to the persons listed below

By: 
Regina McNeil

The following parties were served:

William F. Caton*
Acting Secretary
Federal Communications Commission
1919 M Street, NW, Room 222
Washington, D.C. 20554
(Original and twelve copies
- including two extra public copies)

Common Carrier Bureau*
Enforcement Division
2025 M Street, NW, Room 6008
Washington, D.C. 20554
(Two copies and one diskette containing
Comments in WordPerfect 5.1 "Read Only" form)

International Transcription Services (ITS)*
2100 M Street, NW, Suite 140
Washington, D.C. 20037
(One copy and one diskette)

Actel, Inc.
P. O. Box 391
Cedar Knolls, NJ 07927

Admirals Club
P. O. Box 619280
Dallas/Fort Worth Airport, TX 75261-9280

Patricia A. Hahn - General Counsel
Airports Council International - North America
1775 K Street, NW, Suite 500
Washington, DC 20006

Kevin Maher - Director
Governmental Affairs
American Hotel & Motel Association
1201 New York Avenue, NW
Suite 600
Washington, DC 20005-3917

Charles M. Barclay, A.A.E.
President
American Association of Airport Executives
4212 King Street
Alexandria, VA 22302

Albert H. Kramer
Robert F. Aldrich
Dickstein, Shapiro, Morin & Oshinsky, L.L.P.
2101 L Street, NW
Washington, DC 20037-1526
Attorneys for American Public Communications
Council

Alan R. Barker
2000 West Ameritech Center Drive
Hoffman Estates, IL 60196
Attorney for Ameritech

Paul J. Berman
Alane C. Weixal
Covington & Burling
1201 Pennsylvania Avenue, NW
P. O. Box 7566
Washington, DC 20044-7566
Attorneys for Anchorage Telephone Utility

E. Ashton Johnston
Paul, Hastings, Janofsky & Walker
1299 Pennsylvania Avenue, NW
10th Floor
Washington, DC 20004-2400
Attorneys for Arch Communications Group

Mark C. Rosenblum
Peter H. Jacoby
Richard H. Rubin
AT&T
295 North Maple Avenue
Room 3244J1
Basking Ridge, NJ 07920

John M. Goodman
1133 20th Street, NW
Washington, DC 20036
Attorney for Bell Atlantic Telephone Companies

M. Robert Sutherland
Theodore R. Kingsley
1155 Peachtree Street, NW
Suite 1700
Atlanta, GA 30309-3610
Attorneys for BellSouth

Rachel J. Rothstein
Cable and Wireless, Inc.
8219 Leesburg Pike
Vienna, VA 22182

Martin A. Mattes
Graham & James
One Maritime Plaza, Suite 300
San Francisco, CA 94111
Attorneys for California Payphone Association

Goodin, MacBride, Squeri, Schlotz & Ritchie, LLP
Thomas J. MacBride, Jr.
Kathryn A. Fugere
505 Sansome Street, Suite 900
San Francisco, CA 94111
Attorneys for the California Association of Long
Distance Telephone Companies

Patrick S. Berdge
Peter Arth, Jr.
Edward W. O'Neill
505 Van Ness Avenue
San Francisco, CA 94102
Attorneys for the Public Utilities Commission of the
State of California

Glenn Stehle
Call West Communications, Inc.
701-N St. Mary's
San Antonio, TX 78206

James A. Thelen
Director, Operations Support Services
The Cleveland Clinic Foundation
9500 Euclid Avenue
Cleveland, OH 44495

C. Douglas McKeever
Vice President - Finance
Communications Central Inc.
1150 Northmeadow Parkway, Suite 118
Roswell, GA 30076

Danny E. Adams
Steven A. Augustino
Kelley Drye & Warren LLP
1200 Nineteenth Street, NW, Suite 500
Washington, DC 20036
Attorneys for the Competitive Telecommunications
Association

Kevin E. Cox
Deputy Executive Director
Governmental & Public Affairs
Dallas/Fort Worth International Airport
Administrative Offices
3200 East Airfield Drive
P. O. Drawer 619428
DFW Airport, TX 75261-9428

Thomas K. Crowe
Law Offices of Thomas K. Crowe, PC
2300 M Street, NW
Suite 800
Washington, DC 20037
Counsel for Excel Telecommunications, Inc.

Angela B. Green
Florida Public Telecommunications Association, Inc.
125 S. Gadsden Street, Suite 200
Tallahassee, FL 32301

Cynthia B. Miller, Senior Attorney
Florida Public Utilities Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Joseph Kelley
Flying J Inc.
P. O. Box 678
Brigham City, UT 84302-0678

Michael Shortley
Frontier Corporation
180 South Clinton Avenue
Rochester, NY 14646

Newton M. Galloway
113 Concord Street
Zebulon, GA 30295
Attorney for Georgia Public Communications
Association

Robert C. Caprye
Consulting Manager
GVNW Inc./Management
7125 S.W. Hampton Street
Portland, OR 97223

Ralph Nelson, President
Marsha H. Smith, Commissioner
Dennis S. Hansen, Commissioner
Idaho Public Utilities Commission
P. O. Box 83720
Boise, ID 83720-0074

Hank Smith
Independent Technologies, Inc.
11422 Miracle Hills Drive
Omaha, NE 68154

Indiana Utility Regulatory Commission
302 West Washington Street, Suite 306
Indiana Government Center South
Indianapolis, IN 46204

Albert H. Kramer
Robert F. Aldrich
Jacob S. Farber
Dickstein Shapiro Morin & Oshinsky, LLP
2101 L Street, NW
Washington, DC 20037-1526
Attorneys for Inmate Calling Services Providers
Coalition

Judith St. Ledger - Roty
Enrico C. Soriano
Wendy I. Kirchick
Reed Smith Shaw & McClay
1301 K Street, NW
Suite 1100 - East Tower
Washington, DC 20005-3317
Attorneys for The Intellicall Companies

C. Douglas McKeever
Vice President - Finance
InVision Telecom, Inc.
1150 Northmeadow Parkway
Suite 118
Roswell, GA 30076

William H. Smith, Jr., Chief
Bureau of Rate and Safety Evaluation
Iowa Utilities Board
Lucas State Office Building
Des Moines, IA 50319

Bryan Peterson
Assistant Vice President
Franchisee Services
Kampgrounds of America, Inc.
Executive Offices
P. O. Box 30558
Billings, MT 59114

Robert E. Cohn
Alexander Van der Bellen
Shaw, Pittman, Potts & Trowbridge
2300 N Street, NW
Washington, DC 20037
Attorneys for The City of Kansas City, Missouri

Mary J. Sisak
Donald J. Elardo
MCI Telecommunications Corporation
1801 Pennsylvania Avenue, NW
Washington, DC 20006

William R. Ralls (P19203)
Leland R. Rosier (P33827)
118 West Ottawa Street
Lansing, MI 48933
Attorneys for Michigan Pay Telephone Association

Willard C. Reine
Attorney at Law
Midwest Independent Coin Payphone Association
314 East High Street
Jefferson City, MO 65101

David Gorin - President
The National Association of RV Parks and
Campgrounds (ARVC)
8605 Westwood Center Drive
Suite 201
Vienna, VA 22182

W. Dewey Clower
President & CEO
NATSO, Inc.
1199 North Fairfax Street, Suite 801
P. O. Box 1285
Alexandria, VA 22313-1285

Blossom A. Peretz, Director
New Jersey Division of the Ratepayer Advocate
31 Clinton Street
11th Floor
Newark, NJ 07101

Martin Cintron
Salvador Uy
Gary S. Lutzker
Harley J. Goldstein
New York City Department of Information Technology
and Telecommunications
11 Metrotech Center
Third Floor
Brooklyn, NY 11201

Maureen O. Helmer
General Counsel
New York State Department of Public Service
Three Empire State Plaza
Albany, NY 12223

Craig A. Glazer, Chairman
Jolynn Barry Butler
Ronda Hartman Fergus
Richard M. Fanelly
David W. Johnson
The Public Utilities Commission of Ohio
180 East Broad Street
Columbus, Oh 43215-3793

Maribeth D. Snapp
Deputy General Counsel
Oklahoma Corporation Commission
P. O. Box 52000-2000
Oklahoma City, OK 73152

Mitchell F. Brecher
Fleischman and Walsh, LLP
1400 Sixteenth Street, NW
Washington, DC 20036
Attorneys for Oncor Communications, Inc.

Judith St. Ledger-Roty
Enrico C. Soriano
Wendy L. Kirchick
Reed Smith Shaw & McClay
1301 K Street, NW
Suite 1100 - East Tower
Washington, DC 20005-3317
Attorneys for Paging Network, Inc.

Mark J. Golden
Vice President - Industry Affairs
Personal Communications Industry Association
500 Montgomery Street, Suite 700
Alexandria, VA 22314-1561

Terence J. Buda - Assistant Counsel
Veronica A. Smith - Deputy Chief Counsel
John F. Povilaitis - Chief Counsel
Pennsylvania Public Utility Commission
P. O. Box 3265
Harrisburg, PA 17105-3265

The Law Offices of Robert M. Brill, Esq.
757 Third Avenue, 12th Floor
New York, NY 10017

Susan Drombetta
Manager, Rates and Tariffs
Scherers Communications Group, Inc.
575 Scherers Court
Worthington, OH 43085

John F. Beach, P.A.
South Carolina Public Communications Association
1400 Main Street, Suite 1207
P. O. Box 444
Columbia, SC 29202-0444

Leon M. Kestenbaum
Jay C. Keithley
Cl. Richard Juhnke
Sprint Corporation
1850 M Street, NW
11th Floor
Washington DC 20036

Teresa Marrero
Senior Regulatory Counsel
Teleport Communications Group Inc
Two Teleport Drive, Suite 300
Staten Island, NY 10301

Pat Wood, III - Chairman
Robert W. Gee - Commissioner
Judy Walsh - Commissioner
Public Utility Commission of Texas
7800 Shoal Creek Boulevard
Austin, TX 78757

Edward C. Addison, Director
Division of Communications
Virginia State Corporation Commission
P. O. Box 1197
Richmond, VA 23209

Roger B. Skrypczak
Wisconsin Public Communications Association
W6246 County Trunk BB
Suite B
Appleton, WI 54915

Catherine R. Sloan
Richard C. Fruchterman
Richard S. Whitt
LDDS WorldCom
1120 Connecticut Avenue, NW
Suite 400
Washington, DC 20036

* Hand Delivered

DOCUMENT OFF-LINE

This page has been substituted for one of the following:

- o An oversize page or document (such as a map) which was too large to be scanned into the RIPS system.

- o Microfilm, microform, certain photographs or videotape.

- ✓ Other materials which, for one reason or another, could not be scanned into the RIPS system.

DISKETTE

The actual document, page(s) or materials may be reviewed by contacting an Information Technician. Please note the applicable docket or rulemaking number, document type and any other relevant information about the document in order to ensure speedy retrieval by the Information Technician.